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UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Periodic Reporting (Proposal Seven)

Docket No. RM2018-10

CHAIRMAN'S INFORMATION REQUEST NO. 2

(Issued August 2, 2018)

To clarify the Postal Service's petition to consider changes in analytical principles (Proposal Seven), filed June 29, 2018,¹ the Commission requests that the Postal Service provide written responses to the following questions and requests. Answers to each question and the requested information should be provided as soon as they are developed, but no later than August 9, 2018.

Please refer to the Postal Service's filing in Docket No. ACR2017.² Please confirm that the avoided mail processing costs calculated in this filing would be different if Proposal Seven were adopted (and when the same ACR FY 2017 billing determinants and discounts were used).

a. If confirmed, please describe the factors responsible for such change in avoided mail processing costs (*e.g.*, mail processing cost pool productivity factors, mail processing cost pool piggyback factors, mail processing cost pool volume variability factors, CRA adjustment factor, etc.).

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Seven), June 29, 2018 (Petition). The Postal Service filed a public and non-public annex with the Petition. See Notice of Filing of USPS-RM2018-10/1 and USPS-RM2018-10/NP1 and Application for Nonpublic Treatment, June 29, 2018.

² See Docket No. ACR2017, Library Reference USPS-FY17-3, December 29, 2017, folder "USPS.FY17.3.Files," Excel file "FY17.3 WorksharingTables_Final.xls."

Docket No. RM2018-10

- 2 -

- b. If confirmed, please submit estimates of the impact of Proposal Seven on avoided mail processing costs. If the Postal Service has not estimated such an impact, please explain why.
- c. If not confirmed, please explain why.

By the Chairman.

Robert G. Taub